

(3) Subsection (d) of section 9502 is amended by adding at the end the following new paragraph:

"(5) TRANSFERS FROM AIRPORT AND AIRWAY TRUST FUND ON ACCOUNT OF REFUNDS OF TAXES ON TRANSPORTATION BY AIR.—The Secretary of the Treasury shall pay from time to time from the Airport and Airway Trust Fund into the general fund of the Treasury amounts equivalent to the amounts paid after December 31, 1995, under section 6402 (relating to authority to make credits or refunds) or section 6415 (relating to credits or refunds to persons who collected certain taxes) in respect of taxes under sections 4261 and 4271."

(d) EXCISE TAX EXEMPTION FOR CERTAIN EMERGENCY MEDICAL TRANSPORTATION BY AIR AMBULANCE.—Subsection (f) of section

4261 (relating to imposition of tax on transportation by air) is amended to read as follows:

"(f) EXEMPTION FOR AIR AMBULANCES PROVIDING CERTAIN EMERGENCY MEDICAL TRANSPORTATION.—No tax shall be imposed under this section or section 4271 on any air transportation for the purpose of providing emergency medical services

—(1) by helicopter, or

(2) by a fixed-wing aircraft equipped for and exclusively dedicated to acute care emergency medical services."

(5)

Subsection

(e) of section 4261 is amended by adding at the end the following new sentence: "In the case of helicopter transportation described

in paragraph (1), this subsection shall be applied by treating each flight segment as a distinct flight."

(6)

AVAILABILITY FOR

HIRE FOR AFFILIATED GROUPS.—Section 4282 is amended by

redesignating subsection (b) as subsection (c) and by inserting after

subsection (a) the following new subsection:

"(b) AVAILABILITY FOR HIRE.—For purposes of subsection (a), the determination of whether an aircraft is available for hire by persons who are not members of an affiliated group shall be made

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ATION.—Subsection (d) of section 4081  
is  
amended by redesignating paragraph (2) as  
paragraph (3) and  
bv insertin after paragraph (1) the following  
new paragraph:

"(2) AVIATION GASOLINE.—On and after January  
1. 1997.  
the rate specified in subsection (a)(2)(A)(ii) shall  
be 4.3 cents  
per gallon."

(3) REPEAL OF RETAIL LEVEL TAX.—

(A) Subsection (c) of section 4041 is amended by strik-  
ing paragraphs (2) and (3) and bv redesignatin paragraphs  
(4) and (5) as paragraphs (2) and (3),  
respectively.